In the
Supreme Court of the United States

OCTOBER TERM 1968

No. 388

MALCO MANUFACTURING COMPANY, A PARTNERSHIP, AMPHENOL CORPORATION, AND MALCO MANUFACTURING COMPANY, INC.

Petitioners

VS.

NATIONAL CONNECTOR CORPORATION

Respondent

BRIEF IN OPPOSITION TO PETITION FOR CERTIORARI

RALPH F. MERCHANT
2330 Dain Tower
Minneapolis, Minnesota 55402
Attorney for Respondent

Of Counsel:
JOHN D. GOULD
ROBERT T. EDELL
MERCHANT AND GOULD
2330 Dain Tower
Minneapolis, Minnesota 55402

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AUTHORITIES CITED

Cases:

Graham v. John Deere Co., 383 U.S. 1 (1966) 3, 4, 5, 6, 8, 9, 15

United States v. Adams, 383 U.S. 39 (1966) .3, 4, 12, 15

Statutes:

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I.

STATEMENT OF THE CASE

Petitioners' statement of the case is so general that it fails to accurately characterize the nature of the alleged invention of the patent in suit; the nature of the prior art; and the findings of the trial court. Although this deficiency gives a gloss to the petition and makes it easy to read, the lack of concise detail points up the fact that the petition is without merit. Although it is not incumbent upon Respondent to cure this deficiency, some additional detail on the nature of the case may be helpful.

At trial, three of Petitioners' patents were in suit, U.S. Patents Nos. 2,995,617; 3,086,074; and 3,136,591, all three of which relate to electrical connectors. There were six of Defendant's connectors in suit as alleged infringements of these patents. The connectors were identified for convenience at trial as Types A-F. There were issues of infringement at trial and on appeal. Although these need not be discussed in detail, it might be noted that the trial court, in finding infringement of '617 patent by Defendant's Types A and B connectors, read out, and ignored, a specific limitation, of the patent claims which the Patent Examiner had required the applicants to insert into the claims before they were allowed.[1] Because of its holding of invalidity, it was not necessary for the Court of Appeals to decide this point of error by the trial court.

This petition concerns only that portion of the opinion of the Court of Appeals dealing with the question of the validity of the '617 patent.

The '617 patent is not specifically directed to a "matrix plate containing vast numbers of closely spaced terminal connectors capable of being wired upon automatic wire-wrap machines" (P. 3); but rather, it relates to a feed-through terminal consisting of three parts (R. 732). These three parts are (1) a metal plate having a hole or aperture through it, (2) a sleeve or bushing, and (3) a metal electrical contact or pin (R. 732). The sleeve is manufactured

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[1]The limitation "read out" of the '617 claims by the Trial Court in finding infringement (See deletion FF 23, A. 10) reads as follows:

> "said gripping shank having a minimum transverse dimension substantially smaller than the transverse dimension of said passage".

It was this specific limitation which the patent examiner required petitioners to insert in the claims before he would allow them. (PX 4, p. 124).

from a material softer than the electrical pin and can either be an insulating sleeve, in which case it will be made from a dielectric material (a plastic such as nylon), or the sleeve can be a conducting sleeve, in which case it will be made from a relatively soft metal such as copper. The sleeve has an axial passage or aperture through it, and it has an outside dimension approximately the same as the dimension of the hole or aperture in the plate (R. 1283). When assembled, the sleeve is mounted in the aperture in the metal plate and the electrical contact or pin is mounted in the aperture in the sleeve. The electrical pin has an interference fit in the passage of the sleeve; in other words, the metal pin is press-fitted into the sleeve, which holds the pin in the sleeve and the sleeve is expanded by the pin to hold the sleeve in the plate.

The petition appears to imply that the trial court made "findings" within the framework and guidance of *Graham*[2] and *Adams*,[3] which the Court of Appeals ignored and substituted therefor its own subjective appraisal of what was obvious. This implication is erroneous. A careful review of the trial court's opinion of validity of the '617 patent will show that the trial court failed to inquire in depth into the difference between the prior art as a whole and the claims at issue and failed to inquire into the obviousness or non-obviousness of the difference. Both inquiries are prerequisite to a finding of patentability. The trial court's opinion of patentability was based upon a historical equating of novelty and utility with patentability. From its findings of fact and memorandum on the '617 patent, it is clear that the trial court concluded that there was novelty without determining what the novelty was. Thus, the trial court's find-

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[2]*Graham v. John Deere Co.*, 383 U. S. 1 (1966).
[3]*United States v. Adams*, 383 U. S. 39 (1966).

ing that the '617 patent invention was "not obvious" was a conclusion not properly based upon the requisite inquiry. That the Court of Appeals properly made such inquiry will be pointed out in the subsequent argument.

II.

NO FEDERAL QUESTION PRESENTED

The question presented for review by Petitioners is not one within the provisions of Rule 19 of this Court; but rather it merely asks this Court to substitute its application of the *Graham* and *Adams* doctrine for that of the Eighth Circuit in this case. Granting of the petition would be an invitation to inundate this Court with review of all patent cases.

Petitioners have failed to set forth wherein any one of the reasons listed in Rule 19 of the Rules of this Court would be applicable to the instant case. There has been no conflict in decision between Courts of Appeals. This is the first adjudication of the '617 patent. There is pending by Petitioners another suit for infringement of the '617 patent against a different defendant in the United States District Court for the Eastern District of Pennsylvania, Civil Action No. 30451, entitled Malco Manufacturing Company et al. vs. Elco Corporation; and if it should reach such stage, it is submitted that the Court of Appeals for the Third Circuit would reach the same result on the '617 patent as the Court of Appeals for the Eighth Circuit.

III.

ARGUMENT

A. The Petition Shows No Valid Reason For Granting The Writ.

The arguments presented by Petitioners do not show error on the part of the Circuit Court of Appeals for the Eighth Circuit in the application of the standard of patentability enunciated by this Court in *Graham* and *Adams*, but rather Petitioners merely object to the finding of patent invalidity which resulted from the Circuit Court's application of such standard.

While Petitioners imply that the Eighth Circuit Court of Appeals applied an incorrect standard of invention in determining the invalidity of U. S. patent 2,995,617; nowhere in their petition do they point out where the Circuit Court was in error.

Instead, Petitioners attempt to reduce patentability to a "numbers game" by arguing that the Eighth Circuit must have been in error since their percentage of valid versus invalid decisions does not correspond to some of the other circuits. The weakness of this argument is manifest. Patentability must be decided on a case by case basis, *Graham v. John Deere Co.*, 383 U.S. 1, 18 (1966), and not as Petitioners would have it, on a 60/40 split, a 38% average, or some other hypothetical percentage figure.

Even assuming, arguendo, that the Eighth Circuit Court of Appeals was in error in all of its previous decisions, which is strenuously denied, this would be of no import as far as the present case is concerned. The present case must turn on its own merits, and the correctness of the Circuit Court's decision must be weighed against the standard

of patentability it applied in this case and not against what it may or may not have done in the past.

A review of the Eighth Circuit decision in the instant case, shows, without question, that far from applying an incorrect standard of patentability, the Circuit Court followed precisely the rules laid down by this Court in *Graham v. John Deere, supra* at 18.

The Circuit Court stated the patentability standard regarding "obviousness" as follows:

> "The basic issue, assuming novelty and utility established, concerns 'obviousness' under § 103: This necessitates inquiry into (1) the determination of the scope and content of the prior art, (2) the ascertainment of the difference between the prior art and the claims under '617, (3) 'the background skill of the calling,' and (4) the existence of so-called 'subtests' or collateral indicia of 'nonobviousness.' Graham v. John Deere Co., 383 U.S. 1 (1966)." (A. 31-32)

In following the tests established by this Court in the *Graham* case, the Circuit Court of Appeals first determined the teachings of the prior art patents Carlson, U. S. patent 2,919,300, Clark, U. S. patent 2,744,812, and British patent 641,917 (A. 32). In addition, the Circuit Court reviewed prior art patent Oxley, U. S. patent 2,911,460, and determined that the Oxley patent taught the use of both a round electrical terminal pin and a rectangular electrical terminal pin (A. 32-33). The Circuit Court also noted Petitioners' argument in their attempt to distinguish the rectangular pin of Oxley from their rectangular pin, namely the Petitioners argued that Oxley used barbs to hold the terminal pin in the insulating sleeve or bushing (A. 32-33). The Circuit Court also considered the teach-

ings of a combination of the teachings of the British patent 641,917 and the Oxley patent 2,911,460 (A. 33).

After inquiring into and determining the scope and content of the prior art, the Circuit Court then proceeded to the next step established by this Court in *Graham*, namely, a determination of the difference between Petitioners' claims and the prior art.

Although it is Respondents' position that there is *no* difference between the **claimed** invention of the '617 patent and the prior art,[4] the Court of Appeals in its inquiry into the difference between the prior art and the alleged invention reviewed the matter in a light most favorable to Petitioners, and stated:

> Malco urges that the "uniqueness" of the '617 patent is that it incorporates a flat or rectangular pin larger than the "aperture of the sleeve." When the pin is driven into the sleeve a "laterally opposed pressure locking force is imparted at laterally opposed positions." Thus the sleeve grips the two opposite sides of the plate aperture which rigidly holds the contact pin. This is referred to as an "opposed pressure interference fit."
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> In simplification, we quote from Malco's opening statement to the trial court, ". . . so what we are talking about here is driving a square peg in a round hold. . . ." And as counsel added, the essential difference is that the prior art ". . . shows round terminals in round sleeves in round holes." (A. 31)
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> * * * * *
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> Malco contends this is necessarily distinguishable from the prior art and any of its obvious potentialities. It is contended that this is made possible by the novel

[4]See *Infra* p. 12.

> use of a flat terminal pin, called a "non-round gripping shank" in a sleeve and aperture of smaller dimension. As Malco urges, this is the "*vital* additional element." (A. 32)

In other words, the structural difference between the '617 patent and the prior art is the substitution of a rectangular pin in the '617 patent for a round pin of the prior art.

The Circuit Court then went on to analyze what would be the "background skill of the calling" in order to determine whether the substitution of a rectangular terminal pin for a round terminal pin of the prior art would be obvious. In deciding what would be within the background skill of the calling in the art, the Circuit Court noted that the testimony showed that for many years prior to Petitioners' alleged invention, the Gardner-Denver Company, the company that manufactured the wire wrapping equipment with which Petitioners' alleged invention was to be utilized, had specified use of a rectangular terminal pin (A. 34). Furthermore, the Circuit Court noted that one of Petitioners' own witnesses, who incidentally is one of the alleged inventors of the instant patent, namely Mr. Kalmer, had testified that it was "logical (for Malco) to go to square or rectangular shank" (A. 35).

Finally, in accordance with this Court's instructions regarding pertinent subtests, the Eighth Circuit Court reviewed Petitioners' allegation of "commercial success".

The Circuit Court found that any significance that could normally be placed on a finding of commercial success was greatly weakened in the instant case (A. 34), in view of the testimony of Petitioners' own witnesses which showed that commercial success in the instant case was attributable to numerous factors having nothing to do with

the alleged invention (A. 33-34), including a trade secret (A. 30).

Against the background of the Gardner-Denver Company's recommendation as to the use of rectangular terminal pins; Petitioners' testimony that the use of a rectangular pin was "logical"; the sub-test of "commercial success" not being significant; and no known prior difficulties or deterrents in making the substitution; the Court of Appeals held that the substitution of a rectangular terminal pin with the round terminal pins of the prior art was "obvious" and therefore unpatentable (A. 35). In view of the Eighth Circuit's careful following in the present case, of this Court's standard of patentability enunciated in *Graham,* Respondent is at a loss to understand how Petitioners can allege that the Circuit Court was in error.

Petitioners' argument that the appellate court failed to properly consider or set aside under Rule 52(a) the trial court's findings of fact (P. 8-9) is without merit.

The error on the part of the trial court was not so much with the findings it made, **but rather with the findings it failed to make.** It is apparent from the trial court's decision that the finding of validity of the '617 patent was based on the trial court's findings of fact relating to the "sub-tests" enumerated by this Court in *Graham* and was not based on findings relative to the major considerations which this Court had established in *Graham.* In other words, the trial court made no findings relative to the scope and content of the prior art; the trial court made no findings setting forth the differences between the prior art and the claims at issue; and the trial court made no findings relative to the level of ordinary skill in the pertinent art. It was because of the trial court's failure to make findings

of fact on these major criteria, as well as the trial court's over-emphasis on the "sub-tests", that the Circuit Court reversed. The Circuit Court's decision makes it abundantly clear that it was aware of and considered the trial court's findings of fact with respect to the '617 patent. The Court's decision states:

> "The trial court found the '617 patent not anticipated by the prior art, and held the patent valid under 103 relying upon (1) the immediate 'phenomenal' commercial acceptance with the country, (2) the long-felt need and (3) the unexpected advantages and results flowing from its development" (A. 31).

The Circuit Court then went on to consider these various findings relating to the "sub-tests" established by this Court, and found them to be of less significance than was attributed to them by the trial court. On the sub-test of commercial success, the testimony of Petitioners' own witnesses showed that any commercial success was attributable to many factors having nothing to do with the alleged invention (A. 33-34); and the Appellate Court stated:

> "All of the above factors leading to commercial success render this sub-test less significant in measuring non-obviousness of the patent involved" (A. 34).

The Circuit Court's decision also points out that it felt that the trial court laid too much emphasis on the so-called "unexpected advantages and results" allegedly attributable to the '617 invention. In commenting on this the Circuit Court stated:

> "One of the difficulties in evaluating the '617 patent is that throughout the testimony there appear many claimed attributes of the self-locking terminal which

> necessarily go beyond the basic patent involved. The facility of insertion force, torque resistance, straightening, rigidity retention, density, et al., relate as much to other **vital** factors outside of the specific claims of the '617 patent itself" (A. 33). (Emphasis added.)

Since, as pointed out above, the trial court failed to make findings of fact relative to the scope of the prior art, the differences between the claims initial in the prior art, and the level of ordinary skill in the art, the Circuit Court itself made these inquiries and reversed the trial court's finding of non-obviousness as not being in accordance with the evidence (A. 34-35).

The Circuit Court stated:

> "The evidence is **undisputed** that the primary reasons Malco tried the rectangular pin was directly related to the Gardner-Denver Company requirement for their earlier hand wire-wrap equipment. As early as 1951, Gardner-Denver recommended terminals having at least two sharp corners. The Gardner-Denver automatic wire wrap machine was not developed until the fall of 1960 and its recommendation for flat terminals still persisted" (A. 34). (Emphasis added.)
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> * * * * *
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> "As has been stated many times, changes of mere form, proportion or size will not sustain patentability. Malco's own witness stated that with the need to make a pin suitable for the wire wrap machine, that it was 'logical to go to square or rectangular shanks' " (A. 35).

Finally, the Petitioners accuse the Court of Appeals for the Eighth Circuit of having "placed an additional unrealistic legal hurdle before a patentee" (P. 10) because the Circuit Court mentioned that the evidence did not show

that there were "any prior difficulties or deterrents" to the making of the alleged '617 invention. Petitioners' accusation is simply not in accordance with the facts. As is clear from the Appellate Court's decision, that Court did not make it a **requirement** that a patentee show prior difficulties or deterrents, but rather the Appellate Court mentioned in passing that this was another sub-test which could be taken into consideration in determining obviousness or non-obviousness, and then noted that there was no evidence in this case showing any prior difficulties or deterrents. This procedure and analysis, followed by the Circuit Court, follows directly the inquiry approved by this Court in *United States v. Adams,* 383 U.S. 39 (1966) when it stated:

> "We do say, however, that known disadvantages in old devices which would naturally discrourage the search for new inventions may be taken into account in determining obviousness."

It is clear that the Circuit Court of Appeals for the Eighth Circuit not only faithfully followed the requirements of this Court relating to the question of obviousness, but that the Circuit Court also gave proper consideration and review of the trial court's findings of fact and conclusions of law.

B. The Evidence At Trial Clearly Shows the '617 Patent To Be Invalid

Even assuming this petition to present a proper question for this Court, which must be denied, this Court on the merits could not but affirm the Court of Appeals upon the evidence at trial.

Petitioners accuse the Circuit Court of having "dis-

missed the heart of the invention with the superficial statement 'nor are we impressed with the nuance urged that pressure interference fit takes place within the board rather than without' " (P. 11). The so-called "heart" of plaintiffs' invention was set forth in the Trial Court's finding of fact 23 (R. 28). What the Petitioners failed to point out was that **every element** set forth by the trial court as describing the "heart of plaintiffs' novelty" was admitted to be old in the prior art by Petitioners' expert witness Dr. Metze, as is shown by the following element by element comparison of that portion of the trial court's finding of fact 23 (R. 28) which describes the "heart of plaintiffs' novelty" with the testimony of Plaintiffs' expert Dr. Metze:

Trial Court Finding of Fact 23 (R. 28)	**Testimony of Petitioners' Expert Witness Dr. Metze (R. 1600)**
"It is the utilization in Defendant's Types A and B of a	
terminal connector	Q. Well, let us go forward, Dr. Metze, and let us say that I have before me the British patent and it shows a plate, it shows a three-part electrical feed-through connector, correct? A. Yes. (R. 1600)
for securing in an aperture of predetermined size in a terminal baseboard	Q. It shows a plate with a hole in it? A. Yes. (R. 1600)
comprising a terminal sleeve having a passage therethrough	Q. And it shows a sleeve with a passage through it? A. Yes. (R. 1600)
and having a normal transverse outside dimension approximately the same as the normal transverse dimensions of said baseboard aperture,	Q. And it shows a sleeve having outside dimensions substantially the same as the dimensions of the passage in the plate? A. Yes. (R. 1600)

a metallic terminal pin having a gripping shank with a maximum transverse dimension having a substantial interference fit in the transverse dimension of said passage. . .

whereby the outside dimension of the sleeve in the direction of the maximum transverse dimension of the pin is expanded to firmly grip the portion of said terminal board defining said board aperture when said sleeve is inserted in said aperture and said pin is inserted in said sleeve

which is the heart of plaintiffs' novelty in patent No. 2,995,617, and which defendant in its Types A and B series infringes."

Q. And it shows a round pin having a substantial interference fit in the passage in the sleeve?
A. Yes (R. 1600)

Q. And the substantial interference fit of the round pin in the passage in the sleeve expands the sleeve above the board, below the board, correct? A. Yes. Well actually, it expands it primarily, tends to expand it within the board area. It also incidentally expands it above and below.

Q. Yes. It tends to expand it within the board area? A. Yes. Q. And it holds the pin in the sleeve and the sleeve in the board? A. Yes. (R. 1600)

The evidence at trial clearly shows the Maximoff et al. '617 patent to be invalid.

IV.

CONCLUSIONS

The Eighth Circuit Court of Appeals' finding of invalidity of United States Patent 2,995,617 was made only after a very thorough, well-reasoned and fully supported decision on the question of obviousness under the requirements of 35 U.S.C. 103. In finding the '617 patent invalid on the basis of "obviousness", the Court of Appeals carefully followed the tests promulgated by this Court in their recent *Graham* and *Adams* decision. This petition is wholly without merit and must be denied.

Respectfully submitted,

RALPH F. MERCHANT
2330 Dain Tower
Minneapolis, Minnesota 55402
Attorney for Respondent

Of Counsel:
JOHN D. GOULD
ROBERT T. EDELL
MERCHANT AND GOULD
2330 Dain Tower
Minneapolis, Minnesota 55402